

Introduced by Senator Cedillo

February 16, 2005

An act to amend and repeal Section 18824 of the Business and Professions Code, relating to boxing, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 278, as introduced, Cedillo. Boxing pensions.

Existing law, the Boxing Act, provides for the licensure and regulation by the State Athletic Commission of boxing, kickboxing, and martial arts contests and makes a violation of the act a crime. The act creates the Boxers' Pension Fund where certain revenue is deposited and continuously appropriated for pension fund purposes. Under the act, a person who conducts a contest is required to report to the commission the amount of gross receipts from the contest and to pay the commission a fee of 5% of that amount. The act requires until January 1, 2006, that the balance of the fee from one boxing contest exceeding \$70,000 be paid 1/2 to the commission and 1/2 to the Boxers' Pension Fund.

This bill would require these payments to the Boxers' Pension Fund to continue to be paid after January 1, 2006. Because the bill would continue the deposit of these fee proceeds into the Boxers' Pension Fund, it would make an appropriation. Because failure to comply with this payment obligation would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 18824 of the Business and Professions
2 Code, as amended by Section 18 of Chapter 183 of the Statutes
3 of 2004, is amended to read:
4 18824. (a) Except as provided in Sections 18646 and 18832,
5 every person who conducts a contest or wrestling exhibition
6 shall, within 72 hours after the determination of every contest or
7 wrestling exhibition for which admission is charged and
8 received, furnish to the commission a written report executed
9 under penalty of perjury by one of the officers, showing the
10 amount of the gross receipts, not to exceed two million dollars
11 (\$2,000,000), and the gross price for the contest or wrestling
12 exhibition charged directly or indirectly and no matter by whom
13 received, for the sale, lease, or other exploitation of broadcasting
14 and television rights of the contest or wrestling exhibition, and
15 without any deductions, except for expenses incurred for one
16 broadcast announcer, telephone line connection, and transmission
17 mobile equipment facility, which may be deducted from the
18 gross taxable base when those expenses are approved by the
19 commission. The person shall also, within the same time, pay to
20 the commission a fee of 5 percent, exclusive of any federal taxes
21 paid thereon, of the amount paid for admission to the contest or
22 wrestling exhibition, except that for any one boxing contest, the
23 fee shall not exceed the amount of one hundred thousand dollars
24 (\$100,000), and a fee of up to 5 percent of the gross price as
25 described above for the sale, lease, or other exploitation of
26 broadcasting or television rights thereof, except that in no case
27 shall the fee be less than one thousand dollars (\$1,000). The
28 minimum fee for an amateur contest or exhibition shall not be
29 less than five hundred dollars (\$500). The amount of the gross
30 receipts upon which the fee provided for in this section is
31 calculated shall not include any assessments levied by the
32 commission under Section 18711.

1 The fee on admission shall apply to the amount actually paid
2 for admission and not to the regular established price.

3 No fee is due in the case of a person admitted free of charge.
4 However, if the total number of persons admitted free of charge
5 to a boxing, kickboxing, or martial arts contest or wrestling
6 exhibition exceeds 25 percent of the total number of spectators,
7 then a fee of one dollar (\$1) per complimentary ticket or pass
8 used to gain admission to the contest shall be paid to the
9 commission for each complimentary ticket or pass that exceeds
10 the numerical total of 25 percent of the total number of
11 spectators.

12 (b) If the fee on admissions for any one boxing contest
13 exceeds seventy thousand dollars (\$70,000), the amount in
14 excess of seventy thousand dollars (\$70,000) shall be paid
15 one-half to the commission and one-half to the Boxers' Pension
16 Fund.

17 (c) As used in this section, "person" includes a promoter, club,
18 individual, corporation, partnership, association, or other
19 organization, and "wrestling exhibition" means a performance of
20 wrestling skills and techniques by two or more individuals, to
21 which admission is charged or which is broadcast or televised, in
22 which the participating individuals are not required to use their
23 best efforts in order to win, and for which the winner may have
24 been selected before the performance commences.

25 ~~(d) This section shall remain in effect only until January 1,~~
26 ~~2006, and as of that date is repealed, unless a later enacted~~
27 ~~statute, that is enacted before January 1, 2006, deletes or extends~~
28 ~~that date.~~

29 SEC. 2. Section 18224 of the Business and Professions Code,
30 as amended by Section 19 of Chapter 183 of the Statutes of 2004,
31 is repealed.

32 ~~18824. (a) Except as provided in Sections 18646 and 18832,~~
33 ~~every person who conducts a contest or wrestling exhibition~~
34 ~~shall, within 72 hours after the determination of every contest or~~
35 ~~wrestling exhibition for which admission is charged and~~
36 ~~received, furnish to the commission a written report executed~~
37 ~~under penalty of perjury by one of the officers, showing the~~
38 ~~amount of the gross receipts for the contest or wrestling~~
39 ~~exhibition, and the gross price charged directly or indirectly and~~
40 ~~no matter by whom received, for the sale, lease, or other~~

1 exploitation of broadcasting and television rights of the contest or
2 wrestling exhibition, and without any deductions, except for
3 expenses incurred for one broadcast announcer, telephone line
4 connection, and transmission mobile equipment facility, which
5 may be deducted from the gross taxable base when those
6 expenses are approved by the commission. The person shall also,
7 within the same time pay to the commission a 5-percent fee,
8 exclusive of any federal taxes paid thereon, of the amount paid
9 for admission to the contest or wrestling exhibition, and up to 5
10 percent of the gross price as described above for the sale, lease,
11 or other exploitation of broadcasting or television rights thereof,
12 except that in no case shall the fee be less than one thousand
13 dollars (\$1,000).

14 (b) The minimum fee for an amateur contest or exhibition
15 shall not be less than five hundred dollars (\$500). The amount of
16 the gross receipts upon which the fee provided for in this section
17 is calculated shall not include any assessments levied by the
18 commission under Section 18711.

19 The fee on admission shall apply to the amount actually paid
20 for admission and not to the regular established price.

21 No fee is due in the case of a person admitted free of charge,
22 except if the total number of persons admitted free of charge to a
23 boxing, kickboxing, or martial arts contest or wrestling
24 exhibition exceeds 25 percent of the total number of spectators,
25 then a fee of one dollar (\$1) per complimentary ticket or pass
26 used to gain admission to the contest shall be paid to the
27 commission for each complimentary ticket or pass that exceeds
28 the numerical total of 25 percent of the total number of
29 spectators.

30 (c) As used in this section, "person" includes a promoter, club,
31 individual, corporation, partnership, association, or other
32 organization, and "wrestling exhibition" means a performance of
33 wrestling skills and techniques by two or more individuals, to
34 which admission is charged or which is broadcast or televised, in
35 which the participating individuals are not required to use their
36 best efforts in order to win, and for which the winner may have
37 been selected before the performance commences.

38 (d) This section shall become operative on January 1, 2006.

39 SEC. 3. No reimbursement is required by this act pursuant to
40 Section 6 of Article XIII B of the California Constitution because

1 the only costs that may be incurred by a local agency or school
2 district will be incurred because this act creates a new crime or
3 infraction, eliminates a crime or infraction, or changes the
4 penalty for a crime or infraction, within the meaning of Section
5 17556 of the Government Code, or changes the definition of a
6 crime within the meaning of Section 6 of Article XIII B of the
7 California Constitution.

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